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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

1937 Agricultural Conservation Program Southern Region

BETTER BALANCED FARMING FOR THE SOUTH

"As never before, the Nation has awakened to the need of stopping the exploitation of soil resources.

"Conservation of soil is the last line of defense against national suicide. That defense must go on."

H. A. Wallace,
Secretary of Agriculture.

A BETTER BALANCED system of farming, which will be more profitable for the farmer and safer for the Nation, is the aim of the 1937 Agricultural Conservation Program.

Protecting the land and protecting the income of those who depend upon the land inevitably go together. Overcropping produces price-depressing surpluses, lowers fertility and exposes the land to erosion by wind and water. Through this process the soil resources of present and future generations are destroyed.

Without Nation-wide cooperation toward better-balanced farming, many farmers may be compelled by the force of competition to sell off their productive resources and disregard their own and the Nation's long-time interest because of need for immediate cash return. The results in the long run would be higher costs of production, higher prices to consumers, and a lower standard of living for the farmer.

Destruction of soil by erosion and loss of fertility through overcropping have made millions of acres of the Nation's agricultural land unsuitable for farming. Types of development which hastened waste of soil were encouraged in the period of pioneering and by abnormal wartime demand. Waste of soil has been so extensive that conservation of soil resources has become a national problem. The need now is to preserve the productivity of the land upon which the Nation must depend for the bulk of its food and fiber. These are the reasons why the Agricultural Conservation Program operates through a system of payments enabling farmers to conserve soil on the individual farms of the country, and why the Federal Government makes funds available for this purpose.

The Agricultural Conservation Program seeks a better balance between crops which conserve the soil and crops which deplete the soil. It seeks more widespread use of farming practices which restore and maintain productivity, and which retard wind and water erosion. It encourages and enables the individual farmer to follow those practices which make for good farming and are in the interest of the national welfare. The methods which the program provides for attaining these objectives in the Southern Region are based on the experiences of farmers and the recommendations which they developed for 1937 in community and other meetings throughout the Southern Region.

This leaflet outlines the program developed for the States of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Oklahoma, South Carolina, and Texas. (Supplementary provisions, not presented in this leaflet, will apply in the western wheat and grain sorghum areas of Oklahoma and Texas.)

CONSERVATION PAYMENTS

Farmers are encouraged and assisted in building up a balanced production between soil-conserving and soil-depleting crops by means of conservation payments, which are referred to as Class I and Class II payments. The carrying out of this program through the system of payments described here is contingent upon appropriation by Congress of the amount authorized for 1937 which is 500 million dollars.

Class I conservation payments are provided to make it practicable for farmers to adjust the production of cotton, tobacco, commercial peanuts, and other soil-depleting crops more nearly in keeping with demands at fair prices to producers and consumers. These payments will be made to farmers who conserve their soil by diverting from soil-depleting crops a part of the acreage normally devoted to such crops.

Class II conservation payments are provided to make it practicable for farmers to carry out soil-conserving and soil-building practices which are essential to the restoration and maintenance of soil fertility, and are consistent with a long-time land conservation policy. These payments will be made to farmers who carry out one or more approved soil-building practices on crop or pasture land.

CLASS I CONSERVATION PAYMENTS

Class I payments will be made as follows:

Cotton - The payment will be 5 cents per pound on the normal production of the acreage diverted not in excess of 35 percent of the base cotton acreage for the farm. However, on farms with a base of 2 acres or less the entire base may be diverted for payment. On farms with a base of 2 to 5.7 acres as much as 2 acres may be diverted for payment. This is essentially the same plan in effect for 1936.

Tobacco - The payments for tobacco will be: Flue-cured and Burley, 5 cents per pound; Georgia-Florida Type 62, 6 cents per pound; Georgia-Florida Type 45, or any other type, 3 cents per pound for each pound of the normal production on the acreage diverted not in excess of 25 percent of the tobacco base for all types except Georgia-Florida Type 62 for which the maximum diversion is 30 percent of the base acreage. This is the same plan in effect for 1936, except that the maximum diversion for all types in 1936 was 30 percent.

Commercial peanuts - The payment will be 1-1/4 cents per pound on the normal production on the acreage diverted not in excess of 15 percent of the commercial peanut base for the farm. This is the same plan in effect in 1936, except the maximum diversion in 1936 was 20 percent.

Sugarcane for sugar - Payments will be essentially the same as in 1936.

Rice - Payments will be essentially the same as in 1936.

General soil-depleting crops - Payments will be made for diversion of soil-depleting crops, other than cotton, tobacco, commercial peanuts, rice, and sugarcane for sugar, if such other crops are grown in excess of farm needs, at a rate per acre varying from farm to farm, depending on the productivity of the land. An individual farmer may divert for payment that acreage in excess of farm needs not to exceed 15 percent of his general soil-depleting base. This is the same plan in effect in 1936, except that the rate of payment is slightly lower.

CLASS II CONSERVATION PAYMENTS

Class II payments will be made for carrying out approved soil-building practices and are limited on any farm to the soil-building allowance that has been built up for that farm. Soil-building allowances are built up in two ways:

Soil-building allowances - A. For farms on which a cotton, tobacco, peanut, rice, sugarcane base, or a general soil-depleting base in excess of home needs can be established, the soil-building allowance will be determined by adding the following:

1. For each base acre of soil-conserving crops	$1.00
2. For each base acre diverted from soil-depleting crops that qualify for Class I payment	1.00
3. For each acre of commercial orchard, January 1, 1937	1.00
4. For each acre on which only one crop of commercial vegetables was grown in 1936	1.00

5. For each acre on which two or more commercial vegetable crops were grown in 1936	$2.00
6. For each acre of fenced non-crop open pasture, in excess of one-half of the cropland which will carry one animal unit to five acres	0.25

The soil-building allowance for these farms in no case shall be less than $10.

B. For farms on which a cotton, tobacco, peanut, rice, sugarcane base, or a general soil-depleting base in excess of home needs cannot be established, the soil-building allowance will be determined by adding the following:

1. (a) For each acre of cropland	$0.65
or	
(b) For each acre of the soil-conserving base	1.00
2. For each acre of commercial orchard, January 1, 1937	1.00
3. For each acre on which only one crop of commercial vegetables was grown in 1936	1.00
4. For each acre on which two or more crops of commercial vegetables were grown in 1936	2.00
5. For each acre of fenced non-crop open pasture in excess of one-half of the cropland which will carry one animal unit to five acres	0.25

The soil-building allowance for these farms in no case shall be less than $20.

Soil-building practice payments - These Class II payments will be made for carrying out any one or more of the approved soil-building practices at the rates and upon the conditions listed below, provided that the soil-building payments shall not exceed the soil-building allowance for the farm:

Alfalfa or Kudzu planted on cropland in 1937	$2.50 per acre
Red, mammoth, sweet, alsike, white, bur or crimson clover, Lespedeza, Austrian Winter peas, vetch, or other locally adapted winter legume, or legume mixture, seeded on cropland in 1937	1.50 per acre
Soybeans, velvetbeans, cowpeas, crotalaria, beggar weed or other locally adapted summer legume, excluding Lespedeza grown on cropland in 1937 and the leaves, stems, and vines plowed under, provided a reasonably good growth is attained	2.00 per acre

Crimson or hur-clover, Austrian winter peas, vetch or other locally adapted winter legume, plowed under in 1937, provided a reasonably good growth is attained, or Lespedeza left on the land except that the seed may be harvested	$1.00 per acre
Green manure crop, including rye, oats, barley, wheat, Italian rye grass, or mixtures of two or more of these, plowed under as green manure after making a reasonable growth (not less than two months' growth) in the spring of 1937, provided that such crop has not gone through the dough stage	1.00 per acre
Annual grasses, or a mixture of one or more annual grasses with one or more legumes, turned under in 1937 as green manure following truck or vegetable crops, or turned under in 1937 in orchards or vineyards; provided such green manure crop attained a reasonably good growth (not less than two months' growth)	1.00 per acre
Any sorghum, Sudan grass, or millet (or, in a cropping rotation, mixtures of grasses and/or legumes), grown in 1937 and all the crop left on the land or plowed under, provided a reasonably good growth is attained	1.00 per acre
Establishment of permanent pasture of perennial grasses, or any pasture grass and legume mixture, on cropland or non-crop open pasture land in 1937	3.00 per acre
Forest trees, including post-producing species, planted on cropland in 1937	5.00 per acre
Ground limestone or its equivalent applied on soil-conserving crops or pastures in 1937, but payment will not be made on an amount in excess of 4,000 pounds per acre, or less than 500 pounds per acre if applied in rows, or less than 1,000 pounds per acre if applied broadcast	0.07 per 100 pounds
Sixteen percent superphosphate or its equivalent applied in 1937 on soil-conserving crops or pastures (excluding soybeans, cowpeas, velvetbeans, and peanuts), but payment will not be made on an amount less than 100 pounds or in excess of 400 pounds per acre	0.50
Basic slag applied in 1937 on soil-conserving crops or pastures (excluding soybeans, cowpeas, velvetbeans, and peanuts), but payment will not be made on an amount less than 100 pounds or in excess of 600 pounds per acre	0.35
Manganese sulphate applied in 1937 on soil-conserving crops, but payment will not be made on an amount in excess of 30 pounds per acre	2.00
Terracing land in 1937 in accordance with good terracing practices for the land	0.40 per 100 feet

DEDUCTIONS

1. Deduction for Administrative Expenses - The field expenses of the Agricultural Conservation Associations in connection with the 1937 program will be deducted on a pro rata basis from the payments due farmers.

2. Deduction for Increasing Soil-Depleting Crops - If the acreage of cotton, tobacco, or peanuts exceeds the base established on any farm or if the acreage in the general soil-depleting crops is in excess of farm needs and exceeds the base, a deduction from payments will be made at the same rate as that established for making Class I payments for the same farm.

3. Deduction for Failure to Have Minimum Soil-Conserving Crops - The acreage of soil-conserving crops must equal the soil-conserving base for the farm plus the total acreage diverted for payment from the various bases, or a deduction will be made. The amount of the deduction will be three dollars for each acre by which the soil-conserving acreage fails to meet this requirement.

4. Other Deductions - Payments to any person may be withheld if practices have been followed which tend to defeat the purposes of the 1937 Agricultural Conservation Program.

VARIATION IN PAYMENTS

The rates of payment and the allowances discussed in this leaflet are computed upon the basis for the Nation of an appropriation of $500,000,000 for the 1937 program and 85 percent participation by farmers in all regions. Such rates of payment, deductions, and allowances may be increased or decreased, depending upon the extent of participation, but such variations will not be in excess of 10 percent.

DIVISION OF PAYMENTS

Class I Payments - The Class I payments, except those made with respect to tobacco, sugarcane for sugar, and general crops in designated counties of Texas and Oklahoma in which wheat is a major crop, will be divided as follows:

(a) 37-1/2 percent to the producer who furnishes the land;

12-1/2 percent to the producer who furnishes the work-stock and equipment;

50 percent to be divided among the producers who are parties to the lease or operating agreement in the proportion that such producers are entitled to share in 1937 in those soil-depleting crops, or the proceeds of such crops, in connection with which the Class I payment is made.

(b) Tobacco - The Class I payment made with respect to tobacco will be divided as follows:

15 percent to the producer who furnishes the land;

15 percent to the producer who furnishes the work-stock and equipment;

70 percent to be divided among the producers who are parties to the lease or operating agreement in the proportion that such producers are entitled to share in 1937 in the tobacco crop, or the proceeds of the crop, in connection with which the Class I payment is made.

(c) General Crops in Designated Counties - In counties in western Texas and western Oklahoma designated by the Secretary, the Class I payment made in connection with the general base on any farm will be divided among the interested producers in the same proportion as the crops in such base or the proceeds of the crops are divided under the lease or operating agreement on the farm.

(d) Sugarcane for Sugar - The Class I payment made in connection with the sugarcane base on any farm will be divided among the interested producers in the same proportion as the crop or the proceeds of the crop are divided under the lease or operating agreement on such farm.

Class II Payments - The payment with respect to the acreage on which any approved soil-building practice is carried out on any farm will be made to the producer who bears the expense of carrying out such soil-building practices. If two or more producers have shared in the expense in carrying out such practice on the farm, the Class II payment for the particular acreage will be divided equally among them.

Reckoning Payments Without Regard to Claims - Any share of the Class I or Class II payments will be computed and paid without regard to questions of title under State law, without deductions of claims for advances and without regard to any claim or lien against the crop or proceeds thereof in favor of the owner or any other creditor.

CROP AND LAND USE CLASSIFICATION

Cropland will be classified according to its use in order to have a basis upon which to compare 1937 farming operations with the soil-depleting and soil-conserving bases established for the farm.

In general, land will be classified as soil-depleting when used for the production of cultivated row crops, such as cotton, corn, tobacco, peanuts, and vegetables, or small grains if harvested for grain or hay. On the other hand, cropland occupied by legumes or perennial grasses from which no soil-depleting crop is harvested in 1937 will be classified as soil-conserving. If legumes or perennial grasses are planted following

soil-depleting crops, such acreage will be classified as soil-depleting and soil-conserving.

In general, land used for vineyards and orchards, idle cropland, non-crop pasture and range land, and woodland other than cropland planted to trees since January 1, 1934, is not classified as either soil-depleting or soil-conserving, but as being devoted to neutral uses.

The entire acreage of row crops interplanted with legumes will be counted as soil-depleting and 1/3 or 1/2 the acreage will be counted as soil-conserving, depending upon the extent to which the interplanted legume covers the land.

ESTABLISHING BASES

In order to measure the extent of soil-conservation practices on any farm, and to ascertain the amount of soil-conserving payments due any producer, soil-depleting bases and a soil-conserving base will be established for each farm.

Special soil-depleting bases will be established for cotton, tobacco, commercial peanuts, sugarcane for sugar, and rice.

A general soil-depleting base will be established to include grain crops, truck crops, and other soil-depleting crops for which special bases are not established.

The soil-conserving base is that acreage of soil-conserving crops established as representing normal for the farm.

For farms on which sugarcane for sugar is produced, the soil-conserving base must equal at least 30 percent of the sugarcane base.

All bases are established by the county committee from information furnished by the producer and community committee. The county committee may make certain adjustments in bases.

HOW TO PARTICIPATE

In order for individual farmers to qualify for payments two steps are necessary: (1) A work sheet must be filled out and filed and (2) an application for payment must be made.

The work sheet is a printed form on which the owner or operator of a farm describes the farm and lists the acreage and yields of the crops. It should be filled out with the assistance of a community or county committeeman or the county agent and filed with the county committee within the time specified. Filling out the work sheet does not obligate the farmer in any way. However, an application for payment cannot be made unless a work sheet for the farm has been properly filed.

Application for payment must be made on a prescribed form available through the county committee. This application will be filled out after the performance that has been carried out has been properly checked. This application will show the extent to which the provisions of the program have been utilized in carrying out approved conservation practices.

ADMINISTRATION

The program will be administered in each county by the County Agricultural Conservation Committee, the members of which are elected from the members of the County Agricultural Conservation Association. All farm owners and operators who sign work sheets automatically become members of the County Agricultural Conservation Association. Community committeemen, also elected by farmers in areas designated as communities within each county, will assist in administering the program. A State Agricultural Conservation Committee will assist in administering the program in each State.

Regional Information Series SR Leaflet No. 101

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

1937 AGRICULTURAL CONSERVATION PROGRAM - - - - - SOUTHERN REGION

BETTER-BALANCED FARMING FOR THE SOUTH

> *"As never before, the Nation has awakened to the need of stopping the exploitation of soil resources.*
>
> *"Conservation of soil is the last line of defense against national suicide. That defense must go on."*
>
> *Secretary* HENRY A. WALLACE

A BETTER-BALANCED system of farming, which will be more profitable for the farmer and safer for the Nation, is the aim of the 1937 AAA conservation program.

Protecting the land and protecting the income of those who depend upon the land inevitably go together. Overcropping produces price-depressing surpluses, lowers fertility, and exposes the land to erosion by wind and water. Through this process the soil resources of present and future generations are destroyed.

Without Nation-wide cooperation toward better-balanced farming, many farmers may be compelled by the force of competition to sell off their productive resources and disregard their own and the Nation's long-time interest because of need for immediate cash return. The results in the long run would be higher costs of production, higher prices to consumers, and a lower standard of living for the farmer.

Destruction of soil by erosion and loss of fertility through overcropping have made millions of acres of the Nation's agricultural land unsuitable for farming. Types of development which hastened waste of soil were encouraged in the period of pioneering and by abnormal wartime demand. Waste of soil has been so extensive that conservation of soil resources has become a national problem. The need now is to preserve the productivity of the land upon which the Nation must depend for the bulk of its food and fiber. These are the reasons why the AAA conservation program operates through a system of payments enabling farmers to conserve soil on the individual farms of the country, and why the Federal Government makes funds available for this purpose.

In the last 3 years farmers, generally, have made progress toward a better-balanced system of farming. The adjustment programs of

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the AAA resulted in a shift from soil-depleting crops to soil-conserving crops. The present program places additional emphasis on the care of the soil.

Material reductions in the huge surpluses, which accumulated prior to and during 1932, have been made in the past 4 years. Prices of farm commodities have increased and the income of farmers has also risen. The carry-over of cotton, however, was 7,000,000 bales on August 1, 1936, and this is 1,500,000 to 2,000,000 bales in excess of the normal carry-over. Unless consumption increases above present levels, 1 or 2 years of heavy cotton production probably would build up surpluses and again beat down prices.

The AAA conservation program seeks a better balance between crops which conserve the soil and crops which deplete the soil. It seeks more widespread use of farming practices which restore and maintain productivity, and which retard wind and water erosion. It encourages and enables the individual farmer to follow those practices which make for good farming and are in the interest of the national welfare. The methods which the program provides for attaining these objectives in the Southern Region are based on the experiences of farmers and the recommendations which they developed for 1937 in community and other meetings throughout the Southern Region.

This leaflet outlines the program developed for the States of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Oklahoma, South Carolina, and Texas. (Supplementary provisions, not presented in this leaflet, will apply in the western wheat and grain sorghum areas of Oklahoma and Texas.)

CONSERVATION PAYMENTS

Farmers are encouraged and assisted in building up a balanced production between soil-conserving and soil-depleting crops by means of conservation payments, which are referred to as class I and class II payments. The carrying out of this program through the system of payments described in this leaflet is contingent upon appropriation by Congress of the amount authorized for 1937, which is $500,000,000.

Class I conservation payments are provided to make it practicable for farmers to adjust the production of cotton, tobacco, commercial peanuts, and other soil-depleting crops more nearly in keeping with demands at fair prices to producers and consumers. These payments will be made to farmers who conserve their soil by diverting from soil-depleting crops a part of the acreage normally devoted to such crops.

Class II conservation payments are provided to make it practicable for farmers to carry out soil-conserving and soil-building practices which are essential to the restoration and maintenance of soil fertility, and are consistent with a long-time soil-conservation policy. These payments will be made to farmers who carry out one or more approved soil-building practices on crop or pasture land.

CLASS I CONSERVATION PAYMENTS

Class I payments will be made as follows:

Cotton.—The payment will be 5 cents per pound on the normal production of the acreage diverted not in excess of 35 percent of the base cotton acreage for the farm. However, on farms with a base of 2 acres or less the entire base may be diverted for payment. On farms with a base of 2 to 5.7 acres as much as 2 acres may be diverted for payment. This is essentially the same plan as in effect for 1936.

Tobacco.—The payments for tobacco will be: Flue-cured and Burley, 5 cents per pound; Georgia-Florida Type 62, 6 cents per pound; Georgia-Florida Type 45, or any other type, 3 cents per pound for each pound of the normal production on the acreage diverted not in excess of 25 percent of the tobacco base for all types except Georgia-Florida Type 62 for which the maximum diversion is 30 percent of the base acreage. This is the same plan in effect for 1936, except that the maximum diversion for all types in 1936 was 30 percent.

Commercial peanuts.—The payment will be 1¼ cents per pound on the normal production on the acreage diverted not in excess of 15 percent of the commercial peanut base for the farm. This is the same plan in effect in 1936, except the maximum diversion in 1936 was 20 percent.

Sugarcane for sugar.—Payments will be essentially the same as in 1936.

Rice.—Payments will be essentially the same as in 1936.

General soil-depleting crops.—Payments will be made for diversion of soil-depleting crops, other than cotton, tobacco, commercial peanuts, rice, and sugarcane for sugar, if such other crops are grown in excess of farm needs, at a rate per acre varying from farm to farm, depending on the productivity of the land. An individual farmer may divert for payment that acreage in excess of farm needs not to exceed 15 percent of his general soil-depleting base. This is the same plan in effect in 1936, except that the rate of payment is slightly lower.

CLASS II. CONSERVATION PAYMENTS

Class II payments will be made for carrying out approved soil-building practices and are limited on any farm to the soil-building allowance that has been built up for that farm. Soil-building allowances are built up in two ways:

Soil-building allowances.—A. For farms on which a cotton, tobacco, peanut, rice, sugarcane base, or a general soil-depleting base in excess of home needs can be established, the soil-building allowance will be determined by adding the following:

1. For each base acre of soil-conserving crops	$1.00
2. For each base acre diverted from soil-depleting crops that qualifies for class I payment	1.00
3. For each acre of commercial orchard, Jan. 1, 1937	1.00
4. For each acre on which only 1 crop of commercial vegetables was grown in 1936	1.00
5. For each acre on which 2 or more commercial vegetable crops were grown in 1936	2.00

6. For each acre of fenced noncrop open pasture in excess of one-half of the cropland which will carry 1 animal unit to 5 acres (an animal unit is 1 horse or 1 cow or 5 sheep or 5 goats) $0.25

The soil-building allowance for these farms in no case shall be less than $10.

B. For farms on which a cotton, tobacco, peanut, rice, sugarcane base, or a general soil-depleting base in excess of home needs cannot be established, the soil-building allowance will be determined by adding the following:

1. (*a*) For each acre of cropland $0.65
   or
   (*b*) For each acre of the soil-conserving base 1.00
2. For each acre of commercial orchard, Jan. 1, 1937 ..... 1.00
3. For each acre on which only 1 crop of commercial vegetables was grown in 1936 ..... 1.00
4. For each acre on which 2 or more crops of commercial vegetables were grown in 1936 ..... 2.00
5. For each acre of fenced noncrop open pasture in excess of one-half of the cropland which will carry 1 animal unit to 5 acres (an animal unit is 1 horse or 1 cow or 5 sheep or 5 goats) ..... .25

The soil-building allowance for these farms in no case shall be less than $20.

Soil-building practice payments.—These class II payments will be made for carrying out any one or more of the approved soil-building practices at the rates and upon the conditions listed below, provided that the soil-building payments shall not exceed the soil-building allowance for the farm:

Alfalfa or kudzu planted on cropland in 1937 ..... per acre .. $2.50

Red, mammoth, sweet, alsike, white, bur, or crimson clover, lespedeza, Austrian winter peas, vetch, or other locally adapted winter legume, or legume mixture, seeded on cropland in 1937 ..... per acre .. 1.50

Soybeans, velvetbeans, cowpeas, crotalaria, beggar weed, or other locally adapted summer legume, excluding lespedeza grown on cropland in 1937 and the leaves, stems, and vines plowed under, provided a reasonably good growth is attained ..... per acre .. 2.00

Crimson or bur-clover, Austrian winter peas, vetch, or other locally adapted winter legume, plowed under in 1937, provided a reasonably good growth is attained, or lespedeza left on the land except that the seed may be harvested ..... per acre .. 1.00

Green manure crop, including rye, oats, barley, wheat, Italian rye grass, or mixtures of 2 or more of these, plowed under as green manure after making a reasonable growth (not less than 2 months' growth) in the spring of 1937, provided that such crop has not gone through the dough stage ..... per acre .. 1.00

Annual grasses, or a mixture of 1 or more annual grasses with 1 or more legumes, turned under in 1937 as green manure following truck or vegetable crops, or turned under in 1937 in orchards or vineyards; provided such green manure crop attained a reasonably good growth (not less than 2 months' growth) ..... per acre .. 1.00

Any sorghum, Sudan grass, or millet (or, in a cropping rotation, mixtures of grasses and/or legumes), grown in 1937 and all the crop left on the land or plowed under, provided a reasonably good growth is attained ..... per acre .. 1.00

Establishment of permanent pasture of perennial grasses, or any pasture grass and legume mixture, on cropland or noncrop open pasture land in 1937 ..... per acre .. 3.00

Forest trees, including post-producing species, planted on cropland in 1937 ..... per acre .. 5.00

Ground limestone or its equivalent applied on soil-conserving crops or pastures in 1937, but payment will not be made on an amount in excess of 4,000 pounds per acre, or less than 500 pounds per acre if applied in rows, or less than 1,000 pounds per acre if applied broadcast	per 100 pounds	$0.07
16 percent superphosphate or its equivalent applied in 1937 on soil-conserving crops or pastures (excluding soybeans, cowpeas, velvetbeans, and peanuts), but payment will not be made on an amount less than 100 pounds or in excess of 400 pounds per acre	per 100 pounds	.50
Basic slag applied in 1937 on soil-conserving crops or pastures (excluding soybeans, cowpeas, velvetbeans, and peanuts), but payment will not be made on an amount less than 100 pounds or in excess of 600 pounds per acre	per 100 pounds	.35
Manganese sulphate applied in 1937 on soil-conserving crops, but payment will not be made on an amount in excess of 30 pounds per acre	per 100 pounds	2.00
Terracing land in 1937 in accordance with good terracing practices for the land	per 100 feet	.40

DEDUCTIONS

1. **Deduction for administrative expenses.**—The field expenses of the agricultural conservation associations in connection with the 1937 program will be deducted on a pro-rata basis from the payments due farmers.

2. **Deduction for increasing soil-depleting crops.**—If the acreage of cotton, tobacco, or peanuts exceeds the base established on any farm or if the acreage in the general soil-depleting crops is in excess of farm needs and exceeds the base, a deduction from payments will be made at the same rate as that established for making class I payments for the same farm.

3. **Deduction for failure to have minimum soil-conserving crops.**—The acreage of soil-conserving crops must equal the soil-conserving base for the farm plus the total acreage diverted for payment from the various bases, or a deduction will be made. The amount of the deduction will be $3 for each acre by which the soil-conserving acreage fails to meet this requirement.

4. **Other deductions.**—Payments to any person may be withheld if practices have been followed which tend to defeat the purposes of the 1937 AAA conservation program.

VARIATION IN PAYMENTS

The rates of payment and the allowances discussed in this leaflet are computed upon the basis for the Nation of an appropriation of $500,000,000 for the 1937 program and 85 percent participation by farmers in all regions. Such rates of payment, deductions, and allowances may be increased or decreased, depending upon the extent of participation, but such variations will not be in excess of 10 percent.

DIVISION OF PAYMENTS

Class I payments.—The class I payments, except those made with respect to tobacco, sugarcane for sugar, and general crops in designated counties of Texas and Oklahoma in which wheat is a major crop, will be divided as follows:

(*a*) 37½ percent to the producer who furnishes the land;
12½ percent to the producer who furnishes the workstock and equipment;
50 percent to be divided among the producers who are parties to the lease or operating agreement in the proportion that such producers are entitled to share in 1937 in those soil-depleting crops, or the proceeds of such crops, in connection with which the class I payment is made.

(*b*) **Tobacco.**—The class I payment made with respect to tobacco will be divided as follows:
15 percent to the producer who furnishes the land;
15 percent to the producer who furnishes the workstock and equipment;
70 percent to be divided among the producers who are parties to the lease or operating agreement in the proportion that such producers are entitled to share in 1937 in the tobacco crop, or the proceeds of the crop, in connection with which the class I payment is made.

(*c*) **General crops in designated counties.**—In counties in western Texas and western Oklahoma designated by the Secretary, the class I payment made in connection with the general base on any farm will be divided among the interested producers in the same proportion as the crops in such base or the proceeds of the crops are divided under the lease or operating agreement on the farm.

(*d*) **Sugarcane for sugar.**—The class I payment made in connection with the sugarcane base on any farm will be divided among the interested producers in the same proportion as the crop or the proceeds of the crop are divided under the lease or operating agreement on the farm.

Class II payments.—The payment with respect to the acreage on which any approved soil-building practice is carried out on any farm will be made to the producer who bears the expense of carrying out such soil-building practices. If two or more producers have shared in the expense in carrying out such practice on the farm, the class II payment for the particular acreage will be divided equally among them.

Reckoning payments without regard to claims.—Any share of the class I or class II payments will be computed and paid without regard to questions of title under State law, without deductions of claims for advances and without regard to any claim or lien against the crop or proceeds thereof in favor of the owner or any other creditor.

CROP AND LAND USE CLASSIFICATION

Cropland will be classified according to its use in order to have a basis upon which to compare 1937 farming operations with the soil-depleting and soil-conserving bases established for the farm.

In general, land will be classified as *soil-depleting* when used for the production of cultivated row crops, such as cotton, corn, tobacco, peanuts, and vegetables, or small grains if harvested for grain or hay. On the other hand, cropland occupied by legumes or perennial grasses from which no soil-depleting crop is harvested in 1937 will be classified as *soil-conserving*. If legumes or perennial grasses are planted following soil-depleting crops, such acreage will be classified as *soil-depleting* and *soil-conserving*.

In general, land used for vineyards and orchards, idle cropland, noncrop pasture and range land, and woodland other than cropland planted to trees since January 1, 1934, is not classified as either soil-depleting or soil-conserving, but as being devoted to neutral uses.

The entire acreage of row crops interplanted with legumes will be counted as soil-depleting and one-third or one-half the acreage will

be counted as soil-conserving, depending upon the extent to which the interplanted legume covers the land.

ESTABLISHING BASES

In order to measure the extent of soil-conservation practices on any farm, and to ascertain the amount of soil-conserving payments due any producer, *soil-depleting bases and a soil-conserving base* will be established for each farm.

Special soil-depleting bases will be established for cotton, tobacco, commercial peanuts, sugarcane for sugar, and rice.

A general soil-depleting base will be established to include grain crops, truck crops, and other soil-depleting crops for which special bases are not established.

The soil-conserving base is that acreage of soil-conserving crops established as representing normal for the farm.

For farms on which sugarcane for sugar is produced, the soil-conserving base must equal at least 30 percent of the sugarcane base.

All bases are established by the county committee from information furnished by the producer and community committee. The county committee may make certain adjustments in bases.

HOW TO PARTICIPATE

In order for individual farmers to qualify for payments two steps are necessary: (1) A work sheet must be filled out and filed and (2) an application for payment must be made.

The work sheet is a printed form on which the owner or operator of a farm describes the farm and lists the acreage and yields of the crops. It should be filled out with the assistance of a community or county committeeman or the county agent and filed with the county committee within the time specified. Filling out the work sheet does not obligate the farmer in any way. However, an application for payment cannot be made unless a work sheet for the farm has been properly filed.

Application for payment must be made on a prescribed form available through the county committee. This application will be filled out after the performance that has been carried out has been properly checked. This application will show the extent to which the provisions of the program have been utilized in carrying out approved conservation practices.

ADMINISTRATION

The program will be administered in each county by the county agricultural conservation committee, the members of which are elected from the members of the county agricultural conservation association. All farm owners and operators who sign work sheets automatically become members of the county agricultural conservation association. Community committeemen, also elected by farmers in areas designated as communities within each county, will assist in administering the program. A State agricultural conservation committee will assist in administering the program in each State.

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